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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Securities Act of Washington by:

SDO - 33 - 01

CALLER I-C TECHNOLOGIES, INC.; MARK
GOTTSCHALK; their agents and employees,

STATEMENT OF CHARGES AND NOTICE OF
INTENTION TO ENTER ORDER TO CEASE AND
DESIST

Respondents.

Case No. 98-05-0150

THE STATE OF WASHINGTON TO: Mark Gottschalk
Caller I-C Technologies, Inc.
14905 SE 60th St.
Bellevue, WA 98006-4606

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Caller I-C Technologies, Inc., Mark Gottschalk, and their agents and employees, have each violated the Securities Act of Washington and that their violations justify the entry of an order of the Securities Administrator under RCW 21.20.390 to cease and desist from such violations. The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

I. Respondents

1. **CALLER I-C TECHNOLOGIES** ("Caller I-C") is a Washington corporation with a prior business location of 10900 NE 4th St., Suite 1225, Bellevue, Washington. Caller I-C was incorporated on October 16, 1995 for the purported purpose of selling video conferencing equipment.

STATEMENT OF CHARGES AND NOTICE OF
INTENTION TO ENTER ORDER TO CEASE
AND DESIST

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**DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760**

Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

CONCLUSIONS OF LAW

I. Securities

The offer and/or sale of the investment as described above constitutes the offer and/or sale of a security as defined in RCW 21.20.005(10) and (12), to wit: a note; an evidence of indebtedness; an investment contract; or risk capital.

II. Violation of RCW 21.20.010

The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, as specifically set forth in paragraphs 7 and 8 of the Tentative Findings of Fact, Respondents omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

III. Violation of RCW 21.20.140

The offer and/or sale of said securities is in violation of RCW 21.20.140 because no registration for such offer and/or sale is on file with the Securities Administrator of the state of Washington.

IV. Violation of RCW 21.20.040

Respondents have violated RCW 21.20.040 by offering said securities while not being registered as broker-dealers or securities salespersons in the state of Washington.

NOTICE OF INTENTION TO ORDER THE RESPONDENT TO CEASE AND DESIST

Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities Administrator intends to order that Respondents, Caller I-C Technologies, Inc., Mark Gottschalk, their agents, and employees, each permanently cease and desist from violations of RCW 21.20.010, RCW 21.20.140, and RCW 21.20.040.

AUTHORITY AND PROCEDURE

The STATEMENT OF CHARGES AND NOTICE OF INTENTION TO ENTER ORDER TO CEASE AND DESIST is entered pursuant to the provisions of RCW 21.20.390, and is subject to the provisions of Chapter 34.05 RCW. Each of the Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Order.

If a Respondent does not request a hearing, the Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and enter a permanent cease and desist order against that Respondent.

DATED this 25th day of April, 2001.



DEBORAH R. BORTNER
Securities Administrator

Approved by:

Presented by:

Michael E. Stevenson
Chief of Compliance

Chad Standifer
Staff Attorney